

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6775**

**BILL NUMBER:** SB 379

**NOTE PREPARED:** Dec 23, 2010

**BILL AMENDED:**

**SUBJECT:** Lake and River Enhancement Fund.

**FIRST AUTHOR:** Sen. Glick

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that money in the Lake and River Enhancement Fund (LARE) at the end of a state fiscal year remains available in subsequent state fiscal years only for the purposes specified in the statute establishing the fund. The bill specifies that, notwithstanding certain statutes that allow for the transfer, assignment, or reassignment of state money, money in LARE may not be transferred, assigned, reassigned, expended, or otherwise removed from the fund by the Governor, the State Board of Finance, the Budget Agency, or any other state agency for any purpose other than a purpose specified in the statute establishing the fund.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** In 2010, \$2.1 M was transferred from LARE to the state General Fund. The bill would prohibit transfers from LARE to the state General Fund in the future.

**Background.** Approved funding for 2009 through 2010 included 30 projects in 14 counties, including 40 lakes, for a total of \$993,040. The Department of Natural Resources (DNR) has suspended indefinitely new LARE grant awards for biological, engineering, and watershed land treatment projects. The DNR will continue to service ongoing projects that have previously been awarded grants. These projects amount to over \$1.75 M.

The fund consists of the revenue from the LARE fee paid by boat owners. The amount of the fee varies from \$5 to \$25 and is based on the value of the boat (from less than \$1,000 to at least \$10,000).

The revenue from the LARE fee must be deposited as follows:

- (1) 2/3 must be deposited in the LARE fund.
- (2) 1/3 must be deposited in the Conservation Officers Marine Enforcement Fund.

With respect to the LARE fund, under existing law, ½ of the fund must be used to pay administrative costs of the DNR, and ½ must be used by the DNR for lake projects that could include projects to remove sediment or to control exotic or invasive plants or animals.

LARE fund revenue for FY 2009 and FY 2010 are listed below.

Fund	Description	FY 2009 Revenue	FY2010 Revenue
36010	Lake Enhancement (F&W)	\$2,757,564	\$2,319,216
36020	Conservation Officers Marine Enforcement	\$1,281,101	\$1,173,268
36030	Special Boat Patrol Needs	\$320,275	\$293,317
Fund TOTALS		\$4,358,940	\$3,785,801

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DNR; Governor's Office; State Board of Finance; Budget Agency.

**Local Agencies Affected:** Entities with lake and river enhancement projects.

**Information Sources:** DNR; <http://www.in.gov/dnr/fishwild/2364.htm>.

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